

**COMMONWEALTH OF VIRGINIA**  
**HOME INVESTMENT PARTNERSHIP PROGRAM**

**2004**  
**PROGRAM DESIGN**  
**And**  
**ANNUAL ACTION PLAN**  
**DRAFT**



**Department of Housing and  
Community Development**

**The Jackson Center  
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Richmond, VA 23219**

**VIRGINIA HOME INVESTMENT PARTNERSHIP PROGRAM  
2004 Program Design**

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## Introduction

The HOME Program was signed into law as Title II of the Cranston Gonzalez National Affordable Housing Act in 1990. First funded in 1992, almost 400,000 affordable housing units have been acquired, constructed or rehabilitated, and nearly 72,000 tenants have received direct rental assistance nationwide. The HOME Program helps to expand the supply of decent, affordable housing for low and very low-income families by providing grants to States and local governments referred to as participating jurisdictions or "PJs." PJs use their Home grants to fund housing programs that meet local needs and priorities. PJs have great flexibility in designing their local HOME programs within the guidelines established by HUD. PJs may use HOME funds to help renters, new homebuyers or existing homeowners. The HOME Program establishes HOME Program limits for rents, income, purchase prices, and per unit subsidies limits. A portion of the annual funding is reserved for Community Housing Development Organizations or CHDOs.

The HOME program requires compliance with a number of federal regulations and requirements. Applicants should be aware of those applicable to their proposed project. DHCD can provide assistance upon request regarding these requirements prior to submission of the application. The Virginia Department of Housing and Community Development (DHCD) has administered this program since 1992. HOME program funds are made available to DHCD by the U.S. Department of Housing and Urban Development (HUD).

Pursuant to the provisions of the National Affordable Housing Act of 1990, DHCD has prepared this draft 2004 Program Design to include a final statement of Virginia's affordable housing objectives, its projected use of funds, and its method of fund distribution to non-profit and for-profit housing providers, and to present the core HOME program elements for the Virginia Consolidated Plan.

The draft 2004 Program Design was developed following the 2000 Virginia Housing Needs Assessment, a review of the 2003-2008 proposed Virginia Consolidated Plan by HUD, and from input received from four public input sessions held during 2003 in Abingdon, Annandale, Chesapeake, and Richmond.

Copies of the draft 2004 Program Design are available from DHCD via the U.S. Mail or Internet. DHCD contact information is as follows:

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DHCD reserves the right to amend any portion of the 2004 Program Design that is impacted by any Federal regulations that become effective subsequent to its publication.

## **Introduction**

This document is available to all for-profit and nonprofit housing developers, eligible localities and other interested parties.

## HOME INVESTMENT PARTNERSHIP PROGRAM National Objectives

The National Affordable Housing Act of 1990 established the HOME Program. HOME has reinforced several important principles of affordable housing development:

- HOME's flexibility empowers communities to design and implement strategies tailored to their own needs and priorities;
- HOME's emphasis on locally identified needs and strategies expands and strengthens partnerships among all levels of government and the private sector in the development of affordable housing;
- HOME's technical assistance resources and set-aside for qualified community-based nonprofit housing groups build the capacity of these partners; and
- HOME's requirement that PJs match 25 cents of every dollar in program funds expended mobilizes community resources in support of affordable housing.

HOME provides formula grants to States and localities that communities use, often in partnership with local nonprofit groups, to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people.

HOME is the largest Federal block grant to State and local governments designed exclusively to create affordable housing for low-income households. Each year it allocates approximately \$2 billion among the States and hundreds of localities nationwide. The program was designed to reinforce several important values and principles of community development.

States automatically receive HOME funds either by a formula allocation or \$3 million, whichever is greater. Local jurisdictions eligible for at least \$500,000 under the formula (\$335,000 in years when Congress appropriates less than \$1.5 billion for HOME) also can receive an allocation. Communities that do not qualify for an individual allocation under the formula can join with one or more neighboring localities in a legally binding consortium whose members' combined allocation would meet the threshold for direct funding. Other localities may participate in HOME by applying for program funds made available by their State. Congress sets aside a pool of funding, equivalent to the greater of \$750,000 or 0.2 percent of appropriated funds, which HUD distributes among insular areas.

The eligibility of households for HOME assistance varies with the nature of the funded activity. For rental housing and rental assistance, at least 90 percent of benefiting families must have incomes that are no more than 60 percent of the HUD-adjusted median family income for the area. In rental projects with five or more assisted units, at least families with incomes that do not exceed 50% of the HUD-adjusted median must occupy 20% of the units. The incomes of households receiving HUD assistance must not exceed 80 percent of the area median. HUD publishes HOME income limits each year.

Participating jurisdictions may choose among a broad range of eligible activities, using HOME funds to provide home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers; build or rehabilitate housing for rent or ownership; or for

## HOME INVESTMENT PARTNERSHIP PROGRAM National Objectives

"other reasonable and necessary expenses related to the development of non-luxury housing," including site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development, and payment of relocation expenses. PJs may use HOME funds to provide tenant-based rental assistance contracts of up to 2 years if such activity is consistent with their Consolidated Plan and justified under local market conditions. This assistance may be renewed. Up to 10 percent of the PJ's annual allocation may be used for program planning and administration.

Program funds are allocated to units of general local government on the basis of a formula that considers the relative inadequacy of each jurisdiction's housing supply, its incidence of poverty, its fiscal distress, and other factors. Shortly after HOME funds become available each year, HUD informs eligible jurisdictions of the amounts earmarked for them. Participating jurisdictions must have a current and approved Consolidated Plan which will include an action plan that describes how the jurisdiction will use its HOME funds. A newly eligible jurisdiction also must formally notify HUD of its intent to participate in the program.

Descriptions of planned and recently implemented activities undertaken by individual grantees with HOME funds are described in summaries of each community's Consolidated Plan.

HOME is authorized under Title II of the Cranston-Gonzales National Affordable Housing Act, as amended. Program regulations are at 24 CFR Part 92. The HOME program Final Rule is available electronically. Additional information about the HOME program can be found by visiting the HOME program home web page at [www.hud.gov](http://www.hud.gov). The Office of Affordable Housing Programs, Office of Community Planning and Development, located at 451 7th Street, SW, Washington, DC 20410, (202) 708-2470, administer HOME. Hearing impaired users may call the Federal Information Relay Service at 1-800-877-8339.

The Virginia Department of Housing and Community Development reserves the right to reclassify both activities and projects in terms of national objective as is appropriate. Projects, which do not meet at least one of these national objectives, will not be considered for funding. Any activity within a project not shown to meet at least one of the three national objectives will not be considered for funding.

## VIRGINIA HOME INVESTMENT PARTNERSHIP PROGRAM Priorities and Strategies

Home Funding will be targeted in the following program areas: Eligible CHDO activities, Single Family Regional Loan Fund (SFRLF), Affordable Housing Preservation Program (AHPP), Indoor Plumbing Rehabilitation Program (IPR), Supportive Housing Program, and SHARE Expansion Transitional Housing Program. The set-aside for Supportive Housing will be distributed statewide to applicants that receive a HUD Supportive Housing grant. The Affordable Housing Production/Preservation component, which incorporates the CHDO set-aside, will employ an open submission application process. The Single-Family Regional Loan Fund establishes regional allocations in which an open submission application process will be used.

The Commonwealth of Virginia has adopted Goals, Objectives, and Strategies to guide its investment of HOME funds in relation to creating affordable housing. The objectives are listed in order of priority.

The following three broad priorities govern the use of the State's housing funds, addressing the affordable housing and homeless needs, including those for persons with disabilities as well as other special needs, identified in the Consolidated Plan:

- Increasing the availability and affordability of safe, decent, and accessible housing to low and very low-income persons;
- Increasing the ability of communities to implement creative responses to community-based needs; and
- Supporting policy development and research related to significant economic development, community development, and housing issues.

**PRIORITY:** Increase the availability and affordability of safe, decent, and accessible housing to low and very low-income persons.

**Objective:** Support homeownership opportunities to a minimum of 400 low and very low-income persons annually.

**Strategy:** Increase affordability of home ownership through down payment and closing cost assistance through the Single Family Loan Fund Program.

**Strategy:** Work with VHDA to determine feasibility of use of Section 8 vouchers as a means of providing home ownership for low-income individuals in one rural community and for disabled in two urban communities.

**Strategy:** Provide predevelopment and operating funds to CHDO's to increase capacity and unit production.

**Strategy:** Increase capacity of non-profit developers to produce affordable home ownership opportunities through on-site technical assistance and training through the Office of Community Capacity Building in cooperation with VHDA

## VIRGINIA HOME INVESTMENT PARTNERSHIP PROGRAM Priorities and Strategies

**Objective:** Increase the availability of affordable rental units by a minimum of 200.

**Strategy:** Allocate over \$4.5 of HOME funds through the Affordable Housing Preservation and Production program to support production, preservation and predevelopment of at least 4 multi-family developments.

**Strategy:** Provide planning and other technical assistance for very low and special needs housing development, as well as, general technical assistance on the development process and accessing resources.

**Objective:** Address sub-standard living conditions, health, accessibility, and safety deficiencies for 1,500 low-income, disabled, elderly and special needs households.

**Strategy:** Determine feasibility of rehab fund to address the accessibility needs of the elderly and disabled.

**Strategy:** Provide rehabilitation assistance for repair needs for properties identified through the Lead Hazard Control grant.

**Strategy:** Allocate \$5 million to the Indoor Plumbing and Rehabilitation program through the Community Development Block Grant program.

**Strategy:** Implement pilot program to address the rehabilitation and energy efficiency of transitional housing projects and assess impact on operational costs.

**Strategy:** Use HOME Match and Supportive and Transitional Housing programs to support the development of transitional and permanent supportive housing options for homeless, disabled and others.

**PRIORITY:** Increase the ability of communities to implement creative responses to community-based needs.

**Objective:** Support the development of regional approaches and best practices for addressing the affordable housing needs in Virginia.

**Strategy:** Facilitate the development of three regional plans for addressing the housing needs of homeless and other low-income special needs populations in at least three communities.

**Strategy:** Support the Housing Virginia Campaign and its efforts to educate the public about the importance of affordable housing in communities throughout Virginia.

**Strategy:** Highlight successful approaches to meeting the challenge of affordable housing at the Governor's Housing Conference.



## VIRGINIA HOME INVESTMENT PARTNERSHIP PROGRAM Priorities and Strategies

**Strategy:** Partner with the Virginia Housing Development Authority's Housing Initiative Team to target underserved communities through training and technical assistance.

**Strategy:** Develop program guidelines and implement new Commonwealth Priority Fund to best address unmet housing needs in collaboration with community-based housing organizations.

**PRIORITY:** Support policy development and research related to significant economic development, community development, and housing issues.

**Strategy:** Review the reports of the Virginia Disability Commission and the Olmstead Study Commission and consider recommendations in the development of the FY2004 Action Plan.

**Strategy:** Working with the Virginia Interagency Council on Homelessness and through the federal-sponsored Policy Academy develop Virginia's plan to address the housing needs of the homelessness.

## Funding and Distribution Methodology

Since HUD's HOME Rule allows two years to commit grant funds and four years to actually expend these grant funds, these numbers are subject to change and may be reallocated to other HOME-eligible activities.

### ANTICIPATED USE OF FUNDING IN 2005 (2004 HUD Grant Year)

CHDO Operating Assistance	\$ 400,000 +
Single Family Homeownership	\$ 2,751,400 +
American Dream Downpayment Initiative	\$ 799,897 +
Multifamily Development (AHPP)	\$ 4,500,000 +
[Including CHDO Set-Aside and CHDO Predevelopment Fund]	
Indoor Plumbing and Rehabilitation	\$ 5,000,000 +
HOME Match for Supportive Housing	\$ 800,000 +
Shelter Expansion/Transitional Housing Program	\$ 800,000 +
Tenant Based Rental Assistance Program	\$ 500,000 +
<u>State Administration</u>	<u>\$ 1,194,600 +</u>
Anticipated HUD Allocation	\$ 16,745,897 =
Anticipated State Program Income in 2004	\$ 200,000

In 2004, Virginia's Home Investment Partnership funding will be allocated to the following principal categories of usage: State Administration, Down Payment and Closing Cost Assistance for Home Ownership, Multifamily Rental and Home Ownership Development (including the mandatory 15% CHDO set-aside), Indoor Plumbing and Rehabilitation Loans, Shelter Expansion/Transitional Housing Grants, HOME Match for Supportive Housing, a Tenant Based Rental Assistance Pilot Project, and CHDO Operating Support.

A minimum of 15% or \$2,391,900 of the State's HOME allocation award is allocated to the Affordable Housing Production and Preservation Program (AHPP) and will be restricted for use by State Certified CHDOs as required by HUD's HOME Regulation. Up to 10% or \$239,190 of the mandatory 15% CHDO set-aside will be provided for eligible CHDO Predevelopment activities if requested by State Certified CHDOs. All CHDOs seeking predevelopment funding must provide evidence through the State's AHPP application process that it is ready to pursue a viable multifamily rental or single-family homeownership development. All or a portion of the remaining amount in this category may be made available to non-CHDO entities if qualified affordable housing proposals are received by DHCD.

Total funds available in 2004 include program income, reprogrammed, and unused funds from prior funding years. DHCD allocates HOME Program funding to programs when it is received. State administrative costs are excluded for housing programs. Any *unused* HOME administration funds are reprogrammed to support program activities in accordance with the Plan and the State's Public Participation Guidelines.

## **Funding and Distribution Methodology**

### **DISTRIBUTION METHODOLOGY**

Although there are no formal plans for geographic distribution of most of the housing resources identified in this Plan, specific housing programs have measures to provide a fair distribution of available resources as follows:

Projects in cities and counties not designated as HOME entitlements receive first priority; projects in HOME entitlement cities and counties receive second priority.

Although no high priority geographic areas have been designated specifically to direct the distribution of Affordable Housing Production and Preservation resources, DHCD works diligently to focus its AHPP assets on underserved regions of the state, primarily rural areas (non-metropolitan communities) and those urban areas such as Northern Virginia where housing affordability is bleak. The existing network of twenty-four (24) CHDO's is well distributed across the state.

The Indoor Plumbing/Rehabilitation Program only funds projects in CDBG non-entitlement jurisdictions. The IPR Program is limited to 111 eligible cities and counties. The program now has 43 sub-recipients serving eligible localities. Subrecipients include local governments, housing authorities, planning district commissions and a wide-range of non-profit organizations covering multiple jurisdictions to very small organizations with limited capacity. This network allows programs to reach into most parts of the state. In order to help serve areas of the state that are not served or are under-served by IPR sub-recipients, DHCD now allows sub-recipients to "roam to serve units that are completely lacking indoor bathroom outside of the jurisdictions they are contracted to serve."

The Single Family Regional Loan Fund's (SFRLF) distribution process begins with the annual approval of the State contribution to the SFRLF. The SFRLF operates through local partnerships with governmental entities, non-profit housing service providers, and mortgage lenders across the Commonwealth. Presently, 18 regional administrators offer intake services, housing counseling, and pre-qualification screening for eligibility on a first-come, first-serve basis statewide. The program structure promotes equitable access to the Fund by all entitlement and non-entitlement communities based on applied income and credit criteria.

Under the HOME Match for the Supportive Housing Program, funding priority is given to Supportive Housing Program grantees located outside HOME entitlement jurisdictions and consortiums. If requests are significantly greater than the available funds, projects are evaluated through a competitive process. The priority ranking of the project in the local or regional Continuum of Care is considered.

Transitional housing projects receiving awards of HOME funds through the SHARE Expansion Program for acquisition, new construction and rehabilitation will be restricted to areas where there is no HUD-approved funded Continuum of Care.

## **Virginia HOME Investment Partnership Program General Policies**

### **STATE RESPONSIBILITIES**

The State is required to adopt a citizen participation plan that sets forth the State's policies and procedures for citizen participation in the development of the State's Consolidated Plan, any substantial amendments to the plan, and the annual performance report. Before adoption of the citizen participation plan, the State must make its Annual Plan available to the public by notifying each unit of local government and Planning District Commissions, and through the Department's mailing list of citizens, organizations, and service providers. The State intends to make such notification on March 15, 2004 and will allow thirty days (30) for comment.

It is the intent of the citizen participation plan to provide for and encourage citizen participation in the development of the Consolidated Plan, any substantial amendments to the plan, and performance reports. Especially encouraged to participate are low-and moderate-income (LMI) persons, particularly those having in slum and blighted areas and by residents of LMI neighborhoods, including minorities and non-English speaking persons, as well as persons with disabilities.

The Commonwealth proposes to publish the proposed Annual 2004 Action Plan in a manner that affords citizens, units of general local governments, public agencies and other interested parties a reasonable opportunity to examine its contents and to submit comments. The proposed Plan will include the amount of assistance the Commonwealth expects to receive and the range of activities that may be undertaken under various programs included in the Consolidated Plan and annual Action Plan, including the projected amount that will benefit persons of low and moderate income and the plans to minimize displacement of persons and to provide assistance to any persons displaced.

### **PUBLIC HEARING PROCESS**

On April 1, 2004, the State intends to hold a public hearing regarding the proposed Annual Action Plan and HOME Program Design.

The State proposes to conduct a public hearing relative to the adoption of this Plan and covering housing and community development needs and strategies. Notice of these meetings will be published at least ten days in advance of the Public Hearing.

Public hearings will be held at times and locations convenient to potential and actual beneficiaries and in facilities accessible to persons with disabilities. Where a significant number of non-English speaking residents can reasonably be expected to participate and when the State is made aware of such participation at least ten days before the hearing, the State will retain these of an interpreter for all hearings.

Citizens and units of local government will have not less than thirty days (30) to comment on the proposed Plan. In addition, the State will consider any written or oral comments received at any public hearing in preparing the final Plan; a summary of all comments, including any comments not accepted, will be summarized in the final plan.

## **Virginia HOME Investment Partnership Program General Policies**

### **ACTION PLANS**

An annual action plan will be prepared for each year covered by the Consolidated Plan. The action plan for the initial year of a Consolidated Plan will be included in the Consolidated Plan. Subsequent action plans will be prepared and submitted to the U.S. Department of Housing and Urban Development (HUD) annually. The action plan will contain information on federal and other resources expected to be available to address the priority needs and objectives of the Consolidated Plan and a description of state's method of distribution of funds received from HUD, in addition to other items. The process for preparing the 2004 action plan included four (4) public input sessions that provided for input as to the State's method of distribution for its various housing and community development programs. These forums also provided an opportunity for local governments and other parties to offer comment on State community development and housing needs and the strategies to address the needs. Each annual action plan in succeeding years will follow the same general process .

### **AMENDMENT PROCESS**

Any change in eligible activities or method of fund distribution that exceeds fifteen (15) percent of each program's annual available funds as contained in the Consolidated Plan is subject to an amendment process. The State intends to conduct one public hearing in Richmond for such changes. Notification will be made through DHCD mailing list and through publication in the newspapers previously listed. A thirty-day (30) comment period will be provided.

### **PERFORMANCE REPORTS**

Any performance report submitted to HUD relative to the Consolidated Plan is subject to participation and comment. The state provides reasonable notice of the comment period (through newspaper advertisements at least two weeks in advance in the newspapers) and also provides a period not less than fifteen (15) days to receive comment on any performance report prior to submission to HUD. A commenter may review the performance report at DHCD's offices after alerting DHCD at least five (5) working days in advance. Summaries of comments received shall be attached to the performance report.

### **PUBLIC REVIEW OF DOCUMENTS**

The following documents will be available to the public (citizens, public agencies, and to interested parties) at DHCD's offices if DHCD first receives a request for the document five (5) working days in advance: the Consolidated Plan, any substantial amendments to the Plan, the performance reports records relating to the foregoing three documents, and the state's use of assistance available under Community Development Block Grant, HOME, Emergency Shelter Grants, and Housing Opportunities for People with AIDS programs during the five-year period preceding the year of the request. These documents will be available upon request in a form accessible to persons with disabilities: the Consolidated Plan, substantial

## **Virginia HOME Investment Partnership Program General Policies**

amendments to the Plan, and performance reports.

### **COMPLAINT PROCESS**

The State shall provide a substantive, written response to written complaints regarding the Consolidated Plan, substantial amendments to the Plan, and performance reports within fifteen (15) working days, where practicable.

### **DHCD TECHNICAL ASSISTANCE**

DHCD will provide technical assistance to any for-profit or nonprofit affordable housing developer or their agents in preparing and submitting proposals and otherwise pursuing assistance under the HOME Program. This assistance will generally occur via telephone, facsimile transmission, electronic mail, formal meetings, and occasional site visitation.

There are a number of policies, which are applicable to all assistance available under the Virginia HOME Investment Partnership Program.

### **MATCH REQUIREMENTS**

The State will satisfy the requirement that it matches all HOME funds with non-federal funds at a 25 percent level in the following manner:

- A portion of the match will be derived from the present value of interest reductions of below-market-rate loans where the project also receives HOME assistance.
- The balance of the annual match liability is derived from State general revenue funds that are contributed to housing projects assisted with HOME funds and those that meet the HOME affordability requirements.
- Twenty-five percent (25%) of the State's annual match liability can be derived from the face value of State mortgage revenue bond loans, both multi-family and single family loans.

In order to comply with HUD's requirement that all federal funding under the HOME Program be committed within two years of the grant award date, and that these same funds be expended within five years of the grant award date, DHCD proposes to perform an annual reevaluation and possible reallocation of all HOME Funding for activities identified in this Program Design plan which has not been obligated by April, 2005. DHCD will reevaluate and/or reallocated any unused HOME funding by committing to support the Affordable Housing Production and Preservation projects with Letters of Intent issued as a result of targeted Requests for Proposals (RFPs), or through the Single Family Regional Loan Fund program Regional Administrators that have identified a need for additional funding for down payment and closing costs assistance through a competitive grant process based on actual usage of prior awarded grant funds.

## **Virginia HOME Investment Partnership Program General Policies**

### **LONG-TERM AFFORDABILITY AND AFFORDABILITY PERIODS**

To ensure that HOME Investments yield affordable housing over the long term, HOME imposes rent and occupancy requirements over the length of an affordability period. For homebuyer and rental projects, the length of the affordability period depends on the amount of the HOME investment in the property and the nature of the activity funded. The table below provides the affordability periods.

HOME Investment Per unit	Length of the Affordability Period
Less than \$15,000	5 years
\$15,000-\$40,000	10 years
More than \$40,000	15 years
New construction of rental housing	20 years
Refinancing of rental housing	15 years

### **PROGRAM INCOME**

The State anticipates approximately \$200,000 in program income attributed to the HOME Investment Partnership Fund. This income is in the form of interest earnings on multifamily projects and recapture of HOME funds on rehabilitated owner-occupied units due upon transfer of ownership of property. The income will be used for other HOME-eligible activities.

In the case of the Single Family Regional Loan Fund, any HOME funds recaptured during the period of affordability are not required to be remitted to DHCD. If the HOME-assisted unit fails to produce any proceeds as a result of a sale during the period of affordability, the Local Administrator must ensure that the subject property is made available to another family or individual that meets the income criteria for support under the auspices of the Fund. DHCD will require that each Administrator provide a quarterly financial accounting report of excess proceeds or report the proceeds as program income.

The Indoor Plumbing/Rehabilitation Program has continued to be administered as a loan program. Repayments are made based on the homeowner's financial capacity. The subrecipient retains repayments under IPR for use on other HOME-eligible projects. Each subrecipient must develop a plan for utilizing any program income and report program income to the State.

### **AFFIRMATIVE MARKETING/MINORITY AND WOMEN BUSINESS OUTREACH**

DHCD requires sponsors for projects consisting of five or more units to adopt affirmative marketing procedures and requirements. DHCD provides each sponsor with a model affirmative marketing strategy that may be adapted to meet the individual project's specific

## **Virginia HOME Investment Partnership Program General Policies**

features. The Department reviews draft strategies and requires that sponsors submit their final or adopted strategies for review and approval before giving its final funding commitment. These procedures and requirements must include the project sponsor's methods for informing all parties of the fair housing laws and the policies, requirements and practices that the owner must carry out to assure the widest possible outreach, record keeping requirements, and the method to be used to assess the success of the marketing strategy.

Minority and women's business enterprise outreach requirements apply to all housing programs operated by DHCD. However, HOME-funded projects are subject to requirements that are more specific. Project sponsors are required to take several steps to facilitate participation by small women-owned and minority enterprises. These include dividing procurements for goods, services, and contracts, where possible, into small segments; establishing delivery schedules to encourage their participation; publishing notices via *legal advertisement* in *regional* newspapers of anticipated contracts, services and procurement; maintaining solicitation lists; giving construction contractors copies of this solicitation list; including goals for women-owned and minority business goals in construction contract documents; and maintaining a register of all minority and women-owned enterprises actually used. Contract documents and individual project goals must be sent to DHCD at the time that the project sponsor is preparing bid specification packages. Project sponsors are responsible for requiring contractors to submit information monthly on minority and women-owned enterprise.

### **DISPLACEMENT**

Projects, which cause displacement of individuals or families, are discouraged. If displacement will occur, applicants must include information on the number of tenants to be displaced, income level and the length of displacement (i.e., temporary or permanent). Applicants must also provide a proposed relocation plan and procedures as part of the application.

### **PROGRAM TARGETING**

Grantees receiving HOME funds must use 100 percent of its HOME funds to assist families with incomes below 80 percent of the area median income. When HOME funds are used for rental housing or for TBRA, additional targeting requirements apply. For each annual HOME allocation, 90 percent of the occupants of HOME-assisted rental units and households assisted with HOME-funded TBRA must have incomes that are 60 percent or less of the area median. Tenant families with incomes at or below 50 percent of median income must occupy 20 percent of the units in each rental housing project containing five or more units.

### **ELIGIBLE PROPERTY TYPES**

HOME rental projects may be one or more buildings on a single site, or multiple sites that are under common ownership, management and financing. The project must be assisted with HOME funds as a single undertaking. The project includes all activities associated with the



## Virginia HOME Investment Partnership Program General Policies

site or building. With publication of the Final Rule, projects are no longer required to be within a four-block area. HOME funds may be used to assist mixed income projects (but, only HOME-eligible tenants may occupy HOME-assisted units). Transitional as well as permanent housing, including group homes and Single Room Occupancy (SROs), is allowed. There are no preferences for project or unit size or style.

### PROHIBITED ACTIVITIES FOR HOME FUNDS

- Project reserve accounts: HOME funds may not be used to provide project reserve accounts (except for initial operating deficit reserves) or to pay for operation subsidies.
- Tenant-based rental assistance for certain purposes: HOME funds may not be used as rental assistance in conjunction with the federal Rental Rehabilitation Program (Section 17) to prevent displacements. They also may not be used for certain mandated existing Section 8 Program uses, such as Section 8 rent subsidies for troubled HUD-insured projects.
- Match for other programs: HOME Program funds may not be used as the “nonfederal” match for other federal programs *except* to match McKinney Act funds.
- Operations or modernization of public housing: HOME funds may not be used to provide annual contributions for the operation of public housing or to carry out modernization activities in public housing. (Public housing is housing established under the 1937 Housing Act. Public housing modernization activities are defined at 24 CFR Part 968.)
- Properties receiving assistance under 24 CFR Part 248 (Prepayment of Low-Income Housing Mortgages): Properties receiving assistance through the Low Income Housing Preservation and Resident Homeownership Act (LIHPRHA) or the Emergency Low Income Preservation Act (ELIHPA) are not eligible for HOME assistance except if the HOME assistance is provided to priority purchasers.
- Double dipping: During the first year after project completion, the PJ may commit additional funds to a project. After the first year, no additional HOME funds may be provided to a HOME-assisted project during the relevant period of affordability, *except* that:
  - Rental assistance to families may be renewed.
  - Rental assistance may be provided to families that will occupy housing previously assisted with HOME funds.
  - A homebuyer may be assisted with HOME funds to acquire a unit that was previously assisted with HOME funds.
- Acquisition of PJ-owned property: A PJ *may not* use HOME Program funds to reimburse itself for property in its inventory or property purchased for another purpose. However, in anticipation of a HOME project, a PJ may use HOME funds to:
  - Acquire property.

## **Virginia HOME Investment Partnership Program General Policies**

- Reimburse itself for property acquired specifically for a HOME project with other funds.
- Project-based rental assistance: HOME funds may not be used for rental assistance if receipt of the funds is tied to occupancy in a particular project. Funds from another source, such as Section 8, may be used for this type of project-based assistance in a HOME-assisted unit. Further, HOME funds may be used for other eligible cost, such as rehabilitation, in example, Section 8 or state-funded project-based assistance.
- Emergency Shelter projects are prohibited under HOME funds.

## **Virginia HOME Investment Partnership Funded Program**

### **COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS**

A CHDO is a private nonprofit, community-based service organization whose primary purpose is to provide and develop decent, affordable housing for the community it serves. Certified CHDOs receive certification from a Participating Jurisdiction indicating that they meet certain HOME Program requirements and therefore are eligible for HOME funding.

HOME funds are available through DHCD exclusively for qualified, eligible CHDO projects and operating expenses. An organization certified as a CHDO is eligible to take advantage of the HOME funds set-aside just for CHDOs, as well as additional special technical assistance. CHDO set-aside funds provide equity for community-based organizations to undertake projects, build their capacity to serve a broad range of affordable housing needs, and provide guaranteed resources for affordable housing development.

The funds that have been set aside for CHDO Operating will not only be used for organization's operating fund towards expenses in developing a project. Some of these funds will also be used for training CHDOs to help build their capacity and longevity. Eligible trainings activities may include the following but not limited to:

- Becoming legally incorporated and certified as CHDOs
- Developing and sustaining community partnerships
- Raising private funds to match HOME funds, and for operations
- How to provide effective homeownership counseling and training for prospective homebuyers and renters.
- Planning and managing successful real estate projects

### **CHDO OPERATING ASSISTANCE**

#### **Program Requirements and Funding Thresholds**

CHDOs that either are certified or are eligible to be certified by DHCD as a state-certified CHDO are eligible to apply for CHDO Operating Assistance Funds. The CHDO Operating Assistance Program is based on the development of a project. These funds provide operating support to secure the technical assistance and training necessary to obtain CHDO Set-Aside funds for an affordable housing project and to provide general operating support during the development of CHDO Set-Aside funded affordable housing projects. This funding support program is intended to assist organizations that can demonstrate a need for operating support.

This program is open year round until funds are depleted. During fiscal year 2005 approximately \$400,000 will be available. An organization may not receive more than \$50,000 or 50% of their operating budget for the project in question; whichever is greater, in a 12-month period. These funds are available to state-certified CHDOs only on a first-come first-served basis.

For CHDO project-based operating assistance, the following guidelines apply:

- Applicant must be certified by the state for the area where the project is located.

## **Virginia HOME Investment Partnership Funded Program**

- Applicant must be a state certified CHDO.
- Applicant may be funded for up to five projects
- Applicant has a history of serving the community within which housing to be assisted with HOME funds is to be located, as evidenced by documentation of a least one year of experience in serving the community or for new organizations, there must be an assessment and work plan with the Office of Community Capacity Building unit at DHCD
- Applicant must provide a copy of their fully executed contract or commitment letter for Predevelopment/AHPP loan funds with the Department of Housing and Community Development.
- Applicants may also present an executed agreement with DHCD's Office of Community Capacity Building with the understanding that there will be a project initiated as stated above with 24 months of executing the agreement.

Funds may be used as follows:

- Salaries, Wages, and Benefits
- Rent and Utilities
- Training and Travel
- Technical Assistance
- Equipment and Supplies
- Internet Access and Communications
- Contracted Professional Service

All funds must be used for operational expenses. No funds may be used for project costs. Grant agreement term is 12 months with opportunity for additional 12 months for each project. The applicant is expected to receive a commitment of HOME funds for a project within 24 months and remain in compliance with the HOME rules and regulations.

There is a cash match requirement of 25%, which may be met by local government, state government, or private funds. This match must be applied to operating expenses. Funds received for administering other programs may not be used as match. The applicant must have at least 25% of the total cash match requirement on hand at time of grant execution. A source document must be submitted along with the funding application. Grantees must submit paid invoices with each programmatic and financial report in order to receive additional funding. Paid invoices will be reimbursed at a rate of 75%. The remaining 25% will represent the grantee's portion of cash match. If funded, applicants will be required to submit a work plan with organizational and project milestones. If any portion of the funds are used to support salaries, applicant will be required to provide evidence of sound employment practices, including copy of employment policy, job description, and copy of resume of current employee if applicable. If successful, the applicant will also be required to provide copies of approved conflict of interest and procurement policies. Successful applicants will be required to participate in the Consolidated Planning Process as well as participate in at least one fair housing activity each year. Applicants will also be required to submit an updated report on their Comprehensive Organizational Plan.

## **Virginia HOME Investment Partnership Funded Program**

Virginia's 23 Certified CHDOs emphasize on assisting regions to develop decent, affordable and good quality structures for the underserved areas in the state as well as for the areas where low to very low-income persons face severe affordability problems.

### **AFFORDABLE HOUSING PRESERVATION AND PRODUCTION PROGRAM**

The Affordable Housing Production & Preservation program (AHPP) is an open-submission application process that will be funded primarily from the Commonwealth of Virginia's HOME allocation in 2004. The AHPP program provides flexible, below-market-rate loans to projects for the creation or preservation of affordable housing for lower-income Virginians.

DHCD uses its annual conference, website, contacts with the affordable housing development community, and an array of media to communicate the nature and market the availability of HOME and any other dollars linked to its Affordable Housing Preservation and Production Program.

HOME funds assigned to the AHPP program are distributed on a first-come first-serve basis to qualified developers of affordable housing, including certified CHDOs undertaking CHDO eligible activities throughout the Commonwealth of Virginia. All AHPP projects undergo a review by DHCD staff against organizational needs assessment, and community-specific market studies and non-predevelopment loans are underwritten. All funds are intended for use with other types of financing including, but not limited to, low income housing tax credits, bond financing, and other public and private funds.

AHPP funds are designed to fill the gap in permanent financing to make a project feasible for the creation and preservation of affordable housing for lower-income households. In addition to the CHDO requirement, applicants for AHPP funds must be an owner, developer or sponsor of the project. Only CHDO's can apply for the Predevelopment Loan Fund linked to the AHPP program.

AHPP funds are only disbursed at the completion of construction, when DHCD takes out 100 percent of the construction financing. For multifamily construction, DHCD can reserve financial commitments up to two (2) years before a project is completed and HOME funds are requested to take out construction loans. For homeownership projects, HOME funds can be disbursed for construction draws at 30 percent for 3 intervals and the remaining 10 percent at project completion.

### **Project Eligibility**

Any entity including private non-profits and for-profit organizations and public housing authorities may apply for these resources via an open submission application process. DHCD intends to certify only those CHDOs serving participating jurisdictions lying within state program areas (primarily non-metropolitan communities). Other entitlement PJs will have to certify their own CHDOs and be accountable to ensure they do not exceed funding limits for operating/technical assistance support. In the case of regional organizations (e.g., consortia) comprising communities lying both within the program area of the state and of other

## **Virginia HOME Investment Partnership Funded Program**

participating jurisdiction areas, DHCD would certify only for the jurisdictions lying with the state areas.

Eligible projects for AHPP program funding include:

- Multifamily housing consisting of five (5) or more attached units developed and secured under one deed;
- Rental housing containing four or more units with no individual structure having more than four attached units; properties can be single-family detached, duplexes, etc.; homes can be scattered site but should be in reasonable proximity (i.e. neighborhood); and congregate housing and single room occupancies are included in this category;
- Homeownership (CHDO only) defined as units developed for sale to lower-income, first-time homebuyers. Short-term lease/purchase projects (lease period not more than three (3) years) are considered homeownership projects.

AHPP funds are available to the extent that a gap exists in the permanent financing for an eligible project and that the funding requested has a positive impact on the affordability of the housing provided. DHCD and its underwriters reserve the right to recommend increases or decreases to fund requests based on cash flow, rents, other financing, etc. Generally, however, loans will be limited to \$500,000 per project or the maximum allowed based on maximum per unit subsidies allowable under the HOME program, whichever is the lesser.

### **INDOOR PLUMBING REHABILITATION PROGRAM**

The Indoor Plumbing Rehabilitation/Loan Program (IPR) provides 0% interest loans in nonentitlement cities and counties of Virginia to low- and moderate-income (LMI) owner-occupants of substandard housing where indoor plumbing does not exist or where the existing water delivery or waste disposal system has failed. The program also provides for the general rehabilitation of these units, and for accessibility improvements or relief from overcrowded conditions, as needed, once the primary income, ownership and failed plumbing criteria are met.

The IPR Program was initiated by the Virginia Department of Housing and Community Development and has been in operation since 1989. The program is funded by the Commonwealth of Virginia, and HOME funds provided by the United States Department of Housing and Urban Development.

Over the years, the IPR program has evolved to better meet the needs of its clients and subrecipients, while upholding programmatic regulations and the major policy tenets of the Board of the Virginia Department of Housing and Community Development. The Department of Housing and Community Development contracts with subrecipients (local governments, non-profit housing providers, and housing authorities) to administer the IPR program. The subrecipients are responsible for most program operations including outreach, application intake, beneficiary and property eligibility determination, financial packaging, construction management, and loan servicing. Each subrecipient has direct ties to the community via its local

## **Virginia HOME Investment Partnership Funded Program**

housing rehabilitation advisory board. Each beneficiary household receives training in house maintenance, cleaning, and budgeting.

The key tenets of the Indoor Plumbing Rehabilitation Program are:

- 1) Only owner occupied houses that lack functional indoor plumbing qualify for assistance;
- 2) Program beneficiaries repay loans based upon ability to pay; and
- 3) Self-help and homeownership opportunities create responsibility for ongoing property maintenance and increase wealth for lower-income participants.

DHCD contracts with sub-recipients (local governments, non-profit housing providers, planning district commissions and housing authorities) to administer the IPR Program. Each eligible local government has one annual opportunity to designate a sub-recipient to carry out the IPR program within its jurisdiction. The sub-recipient has direct ties to the community through a local housing rehabilitation advisory board. Each beneficiary household receives training in house maintenance, cleaning and budgeting

A formula based on population, per capita income, household lacking indoor plumbing and overcrowding is used to allocate funds to each eligible locality. The balance of the funds is placed in an incentive fund. Once all of a locality's allocation is obligated that locality's sub-recipient may go to the incentive fund for additional funding.

If a locality's funding allocation has not been committed or if no sub-recipient has been identified that portion of the funding reverts to the incentive pool and other sub-recipients may be draw from it.

### **Applicant/Project Eligibility**

Locations that are not entitlement-eligible for both CDBG and HOME are eligible for an IPR allocation.

### **Funding Thresholds**

Loan repayments are determined by the homeowner's ability to make payments. Applicants may not pay more than 25 percent of their adjusted gross income for repayment of the loan and other related housing costs. Loans are amortized over a ten-year (120 month) period. They are secured by a lien on the property, which is proportionately forgiven over the ten-year term.

The cost limits for rehab and for substantial reconstruction assume that the unit in question is a 2-bedroom unit. If the unit to be rehabilitated or the unit at the completion of the substantial reconstruction contains more than two bedrooms, the exception rules apply.

Because of the need to maximize production and limit costs, leveraging other funds is strongly encouraged especially through participation of the property owner.

## Virginia HOME Investment Partnership Funded Program

The following table details cost limits by project type, excluding home maintenance costs:

<b>Project Type Costs</b>	<b>IPR Rehab, Unit Lacking Complete Plumbing</b>	<b>IPR Substantial Reconstruction, Unit Lacking Complete Plumbing</b>	<b>IPR Rehab, Unit Lacking Bathroom</b>	<b>IPR Substantial Reconstruction, Unit Lacking Bathroom</b>
Base cost	\$25,000 maximum	\$35,000 maximum/including bathroom	\$25,000 maximum/lacking bathrooms	\$35,000 maximum/including bathroom
Exceptions	\$15,000 maximum	\$15,000 maximum	\$25,000 maximum/including bathrooms	\$20,000 maximum
Admin.	\$ 2,200	\$ 2,200	\$ 3,000	\$ 3,000
CRSC	\$ 2,000	\$ 1,500	\$ 3,000	\$ 1,500
Temporary Relocation	\$ 1,000 maximum	\$ 1,000 maximum	\$ 1,000	\$ 1,000
Total	\$45,200	\$54,700	\$57,000	\$60,500

Exceptions allow the sub-recipient to commit additional funding, beyond the base contract cost, to the completion of the project. Failure to contract these items separately may result in the ineligibility of the entire project.

Subrecipients may obligate up to 1% of base construction costs per unit, based on actual documented costs, to carry out home maintenance education. The maximum allowable cost will be \$250 per unit. This per unit cost does not and is not intended to cover staff or rehab specialist time for training delivery. It is intended to cover items such as cleaning kits, tool kits, and handouts.

Demolition costs are “stand-alone” – neither base construction nor exception. Rather, demolition costs are a separate line item, and are to be contracted separately. DHCD has not TO DATE set a cap on per unit demolition costs, although we reserve the right to cap or cut costs if necessary.

Each sub-recipient who purchases a HEPA vacuum will be reimbursed at an allowance of \$200 per house completed until the total cost of the vacuum (up to \$1,000) has been received. A copy of the invoice must be submitted to DHCD with first request for payment.

### **SINGLE FAMILY REGIONAL LOAN FUND**

The Single Family Regional Loan Fund (SFRLF) is a joint initiative between the Virginia Department of Housing and Community Development (DHCD) and the Virginia Housing Development Authority (VHDA). The SFRLF was developed as a non-competitive pilot program in 1996 to provide a comprehensive home ownership assistance program for low-income first-time homebuyers across the state with incomes at or below 80% AMI.



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Organizations were encouraged to apply annually until the entire state had full access the program. Initial participation in the pilot program was limited to organizations that could demonstrate the capacity to administer housing counseling and intake. Since its inception, the program has grown to levels that make the program totally accessible on a statewide basis. Today, the fund specifically targets lower-income individuals and families at or below 60% AMI. This programmatic shift took place in 2000 as a result of direct public input from DHCD's Consolidated Planning process and its *Analysis of Housing Needs in the Commonwealth* (Nov. 2001).

### Formula Allocation Plan

Organizations are primarily allocated funding support based on their loan pool allocation from VHDA. For every \$1,000 of leveraged mortgage financing, the HOME Program allocates up to 10% plus \$2,000 of assistance for down payment and/or closing costs. After amounts are earmarked to cover VHDA loan commitments, additional monies are awarded to each Regional Administrator based on their previous year's use of HOME funding as a percent of total volume. All commitments for VHDA loan pool monies and HOME assistance are detailed in an executed contract agreement between the Regional Administrator, VHDA and DHCD that historically expire on September 30 of each calendar year. All contract agreements are limited to a one-year term. All unused HOME funding available at the end of each round will represent DHCD's carryover balance for reporting purposes. The annual amount of carryover will be de-obligated and returned to the HOME program for future use in the SFRLF for the following round of funding.

DHCD provides HOME funds to regional administrators for use as down payment and closing cost assistance. Administrators may defer, forgive, or amortize HOME funds as they deem appropriate. Any structure of HOME funds must comply with the federal HOME Investment Partnership Final Rule at 24 CFR Part 92.

Subsequently, discounted first mortgage monies are made available for first-time homebuyers that can credit qualify for VHDA financing. Mortgages can be originated through an approved VHDA-approved lender or via the VHDA Mobile Van and combined with down payment and/or closing cost assistance from DHCD's allocation of the HOME funds to make the transition into homeownership seamless. SFRLF resources may be used with other leveraged sources to provide creative affordable loan structuring. For instance, HOME funding support can be used with Rural Development products and community lending initiatives (i.e. CRA portfolio loan products) to help address the needs of clients that cannot qualify for VHDA financing. We believe this type of flexibility help make the best use of all available loan resources to benefit clients at or below 60% of the area median income (AMI).

Each Regional Administrator is responsible for the day-to-day management of the SFRLF. These tasks include:

- Acting as the client liaison between DHCD/VHDA
- Marketing the program to area lenders for greater participation in the Fund
- Screening and pre-qualifying clients for eligibility

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- Arranging homebuyer counseling and education for eligible clients. A copy of the VHDA client certificate and budget must accompany each loan package submission to the lender.
- Managing the intake process and archiving applications for five (5) years
- Providing the lender with a Financial Information Sheet (FIS) to outline all applicable program costs associated with closing the loan. Proper disclosure to Originating Agent is required for all fees to be collected on behalf of the Regional Administrator
- Communicating with VHDA, Originating Agent and Closing Agent to establish closing date and receipt of grant money.
- Promptly notifying VHDA and DHCD of any changes in grant monies after loan commitment. Increases require a revised FIS.
- Maintaining current records of loan status, sources of funding, and client demographics
- Providing all documentation needed to process HOME assistance requests from DHCD. (This includes submitting Project Set-up and Project Completion packages in a timely manner.)
- Managing the appropriate use HOME funding support based on client need
- Identifying other sources of down payment and/or cost assistance for clients in their marketplace

All originating agents are responsible for determining the final loan amount based on all resources outlined on the FIS. If questions arise concerning client eligibility, the Originating Agent should contact the Regional Administrator prior to submitting the loan for underwriting.

The Originating Agent is responsible for the following tasks:

1. Submission of a complete and accurate underwriting package to VHDA. Underwriting packages must include a complete and accurate FIS and Good Faith Estimate.
2. Review of VHDA mortgage loan commitment and satisfactory compliance with all conditions prior to closing
3. Instructing Closing Agent to forward a complete and accurate preliminary closing package to VHDA closing staff. Packages must be received 3 business days prior to estimated closing date.
4. Simultaneous review of preliminary closing package with VHDA closing staff
5. Originating Agent should notify VHDA immediately of any changes once the loan commitment is issued.
6. Receipt of final closed package from Closing Agent for delivery to VHDA within 10 business days from date of closing

Because DHCD serves as the state PJ, the Housing Program Administrator is responsible for processing requests for HOME assistance. DHCD is responsible for tracking all production related to HOME funds administered by the State. The Regional Administrator must submit all requests for down payment and/or closing cost assistance using state HOME funds to DHCD for processing. Disbursement requests cannot be approved without a copy of the commitment letter

## Virginia HOME Investment Partnership Funded Program

from the lender indicating its intent to finance the first mortgage. Disbursement requests are processed within 30 days of receipt by DHCD. The Regional Administrator must indicate where HOME funds should be directed based on the information provided on the Disbursement Request form. If funding support is to be directed to another source other than the Regional Administrator (i.e. the settlement company), payment instructions must be noted on the Disbursement Request.

A settlement company or attorney may be used to close a loan originated under the SFRLF. Delegated closing is strictly prohibited. The Regional Administrator must ensure that the selected agent is familiar with VHDA closing procedures and the basic requirements for applying HOME support at settlement. At minimum, the closing agent should (1) understand where all sources of certified funds will be coming from, and (2) the requirement of homebuyer's 1% contribution.

### **Applicant Eligibility**

Funding is made available and intended to provide mortgages to those households that cannot financially qualify for other mortgage products. The funding should be targeted to those households with incomes not exceeding sixty percent (60%) of the area median income (AMI) as established by the U.S. Department of Housing and Urban Development (HUD) adjusted by family size.

All funds (VHDA loan pool and HOME down payment and closing cost assistance) are reserved for first-time homebuyers who are defined as not having an ownership interest in a primary residence within the past three years. Applicants will be required to provide tax returns for the three tax years prior to the year of application. NOTE: Applicants purchasing homes in some areas including qualified census tracts and economically distressed areas do not have to meet the first-time homebuyer requirement. DHCD reserves the right to review all loan applications for primary loans originated by other lenders when HOME funds are requested. In general, underwriting requirements expected of other lenders should be consistent with VHDA underwriting requirements. HOME funds must be in second lien position unless otherwise approved by DHCD.

The homebuyer is expected to contribute one percent (1%) of the purchase price of the property. The contribution may include fees paid by the borrower at the time of application (appraisal fee, credit report fee) and the earnest money deposit. The homebuyer's 1% required contribution cannot be made by a third party, Regional Administrator or non-profit. All loans will be originated and underwritten using the one-percent required contribution.

The homebuyer's contribution may change at closing. Because it is difficult to determine the exact amount needed to close a loan, the homebuyer should be notified that they may be required to provide up to an *additional* one-half percent (1/2%) of the purchase price at closing. The Single Family Regional Loan Fund will also allow the final contribution to be as low as one half percent (1/2%) of the purchase price. Funding needs outside of these parameters, either more or less, may require an adjustment in the amount of HOME funds or, if HOME funds are not provided, an adjustment in the loan amount. If necessary, VHDA will adjust amounts at loan commitment to comply with this minimum investment requirement.

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Regional Administrators will control the amount of HOME funds used to transact the closing. If additional cash is available and HOME assistance was provided, the additional cash must be returned to the HOME program in excess of the homebuyers required contribution. If HOME funds were not provided, the loan amount must be adjusted. Any changes resulting in an increase of HOME funds or other sources of secondary financing will need to be reflected on a corrected FIS.

### **Funding thresholds**

Each of the 18 Regional Administrators is awarded HOME funding to pay for down payment and closing cost assistance to first-time homebuyers. The amount committed to each administrator is based on past levels of production as provides assistance of roughly 10 percent of the loan amount to each successful mortgage applicant, with adjustments made for high cost areas such as northern, Virginia.

### **Affirmative Fair Marketing, Fair Housing, Equal Employment Requirements**

Each Regional Administrator is required to uphold all affirmative fair marketing, fair housing, and equal employment practices as outlined in the annual contract agreement and program summary as prescribed below. SFRLF Regional Administrators must undertake one of the activities highlighted below on an annual basis in order to meet the affirmative marketing requirement outlined in their contract agreement. The activity may be any from the following list or it may be one that has been specifically approved by a DHCD Program Administrator.

### **Subordination Agreements and HOME Subsidy Policy**

Repayment of the HOME subsidy to DHCD will be required if the homeowner does not occupy the property as its primary residency during the period of affordability as demonstrated in the second deed of trust. Second deeds of trust can only be subordinated to third under the following circumstances:

If the homeowner is refinancing original mortgage to improve the primary mortgage rate by one full point, DHCD will subordinate. Participants may only include their closing cost in the refinancing.

In all cases, loan documentation must be provided to DHCD for advance consideration. DHCD must ensure that all requirements have been met before the new loan closes. The value of liens against the property must not exceed 105% of the property's assessed value. If the borrower pays off the first lien, the second lien will be due and payable; the two loans are connected in this regard.

Repayment of the HOME subsidy to DHCD will be required if the homeowner does not remain the principal resident of the home which was subsidized with HOME dollars for the duration of the HUD-imposed period of affordability.

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### **Guidelines for Home Ownership Resale and Recapture**

The State has chosen the option of recapturing a prorated share of the HOME investment out of the net proceeds of the sale. HOME funds carry a 5 to 15-year term, based on the amount of HOME funds invested, to be secured by a junior mortgage or restrictive covenant on the property financed. Any recaptured funds resulting from a share of proceeds generated by the sale of a HOME-assisted unit during the period of affordability will be managed and administered by the Local Administrator through a separate non-interest bearing account for later use by eligible individuals or families that meet the threshold requirements for the Fund. Any HOME funds recaptured during the period of affordability *shall not* be remitted to DHCD or reported as program income. If the HOME-assisted unit fails to produce any proceeds as a result of a sale during the period of affordability, the Local Administrator must ensure that the subject property is made available to another family or individual that meets the income criteria for support under the auspices of the Fund. DHCD will require that each Administrator provide a quarterly financial accounting report of excess proceeds. The loan documents allow the State to approve the assumption of the remaining term of the loan, at time of sale, by an income-eligible purchaser.

In the case of Foreclosure, repayment and recapture provisions occur only in the case that there are net proceeds available from the sale. If there is no net proceeds from the foreclosure, repayment of HOME funds is not required, and HOME requirements are considered satisfied.

### **AMERICAN DREAM DOWNPAYMENT INITIATIVE**

ADDI funds may only be used for downpayment assistance towards the purchase of single family housing by low-income families who are first-time homebuyers. Rehabilitation that is completed in conjunction with a home purchase assisted with ADDI funds is also an eligible activity under the ADDI statute. A PJ's total rehabilitation assistance may not exceed 20 percent of its annual ADDI allocation. However, rehabilitation is not an eligible use of ADDI funds.

### **Program Goal**

- Increase the overall homeownership rate, especially among minority groups who have lower rates of homeownership compared to the national average.
- More than two-thirds of all Americans own their home. Fewer than half of African-American and Hispanic families are homeowners.
- Revitalize, stabilize communities.

### **Eligibility Requirements**

- Eligible project costs under ADDI include: acquisition costs, and related reasonable and necessary soft costs.
- The focus is on low-income families who are also first-time homebuyers. To participate, recipients must have annual incomes that do not exceed 80 percent of the area median income.

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- Under ADDI, a first-time homebuyer is an individual and his or her spouse who have not owned a home during the three-year period prior to purchase of a home with assistance under ADDI. The term first-time homebuyer includes displaced homemakers and single parents.
- Under ADDI, single-family housing means a one- to four-family residence, condominium unit, cooperative unit, combination of manufactured housing and lot, or manufactured housing lot.

### **Program Administration**

- Will be administered as a part of HUD's existing HOME Investment Partnerships Program (HOME). HOME helps address the shortages of affordable rental housing and homeownership in communities nationwide.
- Families may use the subsidy for downpayment assistance, such as closing costs and interest reduction.
- The minimum amount of assistance per unit is \$1,000. The \$1,000 minimum investment can be a combination of ADDI and HOME funds. Under the ADDI statute, the amount of ADDI assistance provided to any low-income family cannot exceed the greater of six percent of the purchase price of a single family housing unit or \$10,000.

### **HOME MATCH FOR THE SUPPORTIVE HOUSING PROGRAM**

HUD's Supportive Housing Program (SHP), as authorized by Title IV, Subtitle C, of the McKinney-Vento Homeless Assistance Act of 1987, as amended, is designed to promote, as part of a local Continuum of Care strategy, the development of supportive housing and supportive services. These units are to assist homeless persons in the transition from homelessness and to enable them to live as independently as possible.

Funds provided for acquisition, rehabilitation, and new construction through HUD's SHP, must be matched by the recipient with an equal amount of funds from other sources. The cash source may be the recipient, the Federal Government, State and local governments, or private resources. The Virginia HOME Investment Partnership – Match Program (HOME Match Program) provides funds for the required match for projects involving acquisition, rehabilitation, or new construction. These matching funds are to be used for bricks and mortar and not for supportive services.

Home Match funding totaling \$800,000 is available on a non-competitive basis. All applicants who applied received funding.

### **Targeted Population**

The Supportive Housing Program (SHP) is one of the McKinney-Vento Homeless Assistance Act programs designed to move homeless persons from streets and shelters to permanent housing and maximum self-sufficiency. A person must be homeless in order to receive assistance under

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SHP. Applicants identify their target population in the initial application. This application is incorporated into the grant agreement and, therefore, guides implementation of the grant. Significant changes to the project must receive prior HUD approval. The category of persons to be served, or target population of the project, is specifically mentioned in the SHP regulations at 24 CFR 583.405.

HOME funds are used as match for Supportive Housing Program projects for facilities to house the homeless. The HOME Match for the Supportive Housing Program offers all or a portion of the required 50% match for the costs of acquisition, new construction or rehabilitation for supportive housing projects in Virginia that are funded through the Continuum of Care Homeless Assistance/Supportive Housing Program.

Funding priority is given to Supportive Housing Program grantees located outside HOME entitlement jurisdictions and consortiums. If requests are significantly greater than the available funds, projects are evaluated through a competitive process. The priority ranking of the project in the local or regional Continuum of Care is considered.

### **Applicant/Project Eligibility**

Eligible applicants are those who received awards through the Continuum of Care Homeless Assistance/Supportive Housing Program for acquisition, new construction or rehabilitation for supportive housing projects in Virginia. All projects must be related to the structures, transitional housing or permanent housing, where program beneficiaries will reside. The program does not provide funding to projects utilizing HOME funds through another source.

### **Funding Thresholds**

Awards are limited to the lesser of the amount of Supportive Housing Program funds for acquisition, rehabilitation or new construction, or the HOME Program per unit subsidy limits, not to exceed \$200,000. Funds for new construction are limited to those projects with less than twelve units.

As stated above, funding priority is given to Supportive Housing Program grantees located outside HOME entitlement jurisdictions and consortiums. To achieve geographic diversity and/or increase the number of projects funded, DHCD reserves the right to award less than the match amount required.

### **Funding Priority**

Priority will be given to Supportive Housing Program grantees located outside of the following HOME entitlement jurisdictions and consortiums: Cities of Virginia Beach, Richmond, Arlington, Alexandria, Charlottesville, Chesapeake, Danville, Hampton, Lynchburg, Newport News, Norfolk, Portsmouth, Roanoke, Suffolk, Chesterfield, Fairfax, Henrico and Prince William County.

### **Eligible Activities**

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HOME match funds may be used for acquisition, rehabilitation, and/or new construction costs of structures to be used for supportive housing. Costs must be related to the structures, transitional housing or permanent housing, where program beneficiaries will reside. Funds for new construction are limited to those projects with less than twelve units.

To receive assistance from projects funded under the Supportive Housing Program, the people served must be homeless. Projects that propose serving other populations will not be considered for funding.

Applicants who propose to serve these populations must make clear in their applications that they (a) understand that persons are eligible only if they have no subsequent residence identified and lack the resources and support networks needed to access housing and (b) propose to serve only eligible persons. Applicants that are selected for funding will be required to have documentation of how it was determined that such persons did not have the resources or support network needed to obtain housing.

### **Ineligible Activities**

Funds are not available to projects utilizing Home Investment Partnerships (HOME) Program funds through another source (i.e. your local government). Funds are not available for office space, operating costs of supportive housing, including personnel; acquisition, rehabilitation or new construction of facilities where supportive services only are to be provided; or the direct provision of supportive services.

### **Affordability Period**

Award recipients are required to utilize facilities, financed in part with HOME matching funds, to house formerly homeless Virginians for a time period mandated by the HOME regulations contained at 24 CFR Part 92. This period, known as the *affordability period*, is determined by the amount of HOME assistance per unit.

## **SHARE EXPANSION PROGRAM TRANSITIONAL HOUSING COMPONENT**

The existing state-funded SHARE Expansion Program will provide a transitional housing component with HOME funds. The SHARE Expansion Program provides funding to be used to purchase and/or rehabilitate residential and non-residential properties into emergency shelter or transitional housing facilities.

The SHARE Expansion Program (Expansion) is funded through an appropriation from the Virginia General Assembly and administered by the Virginia Department of Housing and Community Development (DHCD). Additional funds are provided through the HOME Program through appropriations by the U.S. Department of Housing and Urban Development and administered by DHCD.



## **Virginia HOME Investment Partnership Funded Program**

HOME funds may not be used for Emergency Shelter projects. HOME funds may be used for Transitional housing projects. Funds appropriated by the state may be used for Emergency Shelter projects or Transitional housing projects.

### **Program Goals and Objectives**

The goal of the SHARE Expansion Program is to increase the capacity of the Commonwealth's shelter stock to accommodate the need for shelter among homeless individuals and families and to encourage the development or continuance of comprehensive self-sufficiency programs. The primary objective of the program is to increase the number of emergency shelter and transitional housing beds to homeless individuals and families in Virginia, emphasizing facilities that offer a comprehensive self-sufficiency program for their residents.

### **Maximum Assistance**

The maximum funding assistance per project is \$200,000. Under no circumstances will the Expansion award exceed the actual eligible cost of the project.

### **Specific Activities**

Expansion funds may be used to rehabilitate existing properties provided that the number of existing emergency or transitional housing beds is increased by a number agreed upon by the applicant and DHCD and in accordance with the identified need and scope of the planned project.

### **Funding Priorities**

#### **Priority One:**

#### **Acquisition and Rehabilitation**

Expansion funds may be used to purchase and/or rehabilitate residential and non-residential properties into emergency shelter or transitional housing facilities.

#### **Rehabilitation**

Expansion funds may be used to rehabilitate existing properties provided that the number of existing emergency shelter or transitional housing beds is increased by a number agreed upon by the applicant and DHCD and in accordance with the identified need and the scope of the planned project.

#### **New Construction**

## **Virginia HOME Investment Partnership Funded Program**

Expansion funds may be used for the new construction of emergency shelter or transitional housing facilities, including the acquisition of land, the cost of construction, and the addition of new units added outside the original wall of an existing emergency shelter or transitional housing facility, provided that the number of existing beds are increased a number agreed upon by the applicant and DHCD and in accordance with the identified need and the scope of the planned project.

### **Priority Two:**

#### **Refinancing or Acquisition of Presently Operating Facilities**

Projects seeking Expansion funds to refinance an existing mortgage or to acquire a facility that is presently being operated as an emergency shelter or transitional housing facility will be considered only on the strength of the documentation that without Expansion funds the existing beds will be lost. DHCD will have discretion regarding the eligibility of any application requesting grant funds for these purposes.

### **Applicant/Project Eligibility**

Eligible applicants for the Expansion program are nonprofit organizations, units of local government and public housing authorities who currently provide, or plan to provide, shelter and services to homeless individuals or families in Virginia.

### **Application Process**

DHCD staff conducts site visits to all proposed Expansion projects to provide technical assistance to organizations interested in applying for the SHARE Expansion Program. Ongoing technical assistance through DHCD staff is provided as needed.

DHCD review team conducts evaluations of applications. Team members are made up of the Shelter and Support Services Unit staff. Evaluations may take up to 90 days. Notification of awards, contract and grant documents are sent to grantees 30-45 days after all necessary documentation is received by DHCD.

### **Application Format**

Applications that meet certain threshold requirements will be accepted on an open basis at any time during the fiscal year except when the program is closed due to a lack of funds or other unavoidable reasons. Applicants are strongly encouraged to discuss the planned project with DHCD staff prior to submitting an application. All applications must be presented in a standard three ring binder with clearly labeled tabs for each major section and all attachments. Submit one original and two copies of the application. Only one copy of plans and architectural drawings should be submitted.

## **Virginia HOME Investment Partnership Funded Program**

### **Description of Threshold Requirements**

Applicants must meet or exceed all of the following threshold requirements before a project can be considered for an Expansion award:

#### **Public Purpose**

The applicant must provide a narrative, which documents the need for the proposed project. The narrative must describe the specific homeless population to be served and explain why this was selected. The narrative should include the number of homeless persons, from the targeted population(s) if available, in the applicants service area, the number of turnaways from existing emergency shelter or transitional housing facilities in the service area, and other information demonstrating the need for the proposed project. If a local or regional Continuum of Care Plan has been prepared, the need for the proposed project must be related to the needs and priorities identified in the Continuum of Care. The narrative should be placed in the section labeled “Public Purpose” in your application. Letters from local and/or regional officials and service providers, or copies of the relevant section(s) of documents verifying the need for your proposed project should be included.

#### **Program Design Submission Requirements**

The applicant must provide a narrative describing in detail the supportive services that are or will be part of the in-house program or provided through linkages in the service area. Letters from other agencies or services providers documenting the provision of services through linkages should be included in the application. The narrative should describe the screening, intake, and orientation procedures for new residents.

Finally, the narrative must include a description of the proposed facility’s life/safety policies and procedures. The policies and practices which protect the health and safety of residents, staff, and visitors, include, but are not limited to, drug-free shelter and workplace policies, frequency of fire drills, methods of notification of fire escape routes, methods of eliminating or minimizing exposure to blood borne pathogens, and plans for cleaning the shelter, especially food preparation and food service areas. If the Expansion application is for expansion of a currently operating facility, a copy of a fire inspection report dated a maximum of one year prior to submission of the application, as well as documentation of any corrective measures taken, must be included.

#### **Project Readiness**

The applicant must provide documented evidence of site control in the form of an Option to Purchase, a Purchase Contract, a Deed, or a Lease Agreement with a minimum term of five years, renewable for an additional five years.

The applicant must provide evidence that the property is zoned appropriately for the proposed use. Such documentation should be in the form of a letter from the local authorized zoning official or a copy of the portion of the local zoning map which clearly indicated the zoning

## **Virginia HOME Investment Partnership Funded Program**

designation of the proposed site and a copy of the corresponding zoning ordinance which defines the allowable uses for that designation.

The applicant must provide preliminary plans, with dimensions, elevations, and a typical room layout; specifications or a work write up and a site plan, if appropriate; and evidence of a working relationship with an architect or engineer who will be preparing plans and specifications for the project.

### **Project Feasibility**

A complete development budget, with adequate documentation of both the sources and uses of funds, development financing, and project time line must be included as a part of the Expansion application.

An operation budget for each of the five years following the completion of the Expansion project must be included. The projections of operating expenses must include documentation of the sources and uses of funds, as available.

### **Administrative Capacity**

The applicant must include documentation of the project owner/sponsor's experience in the provision of shelter and services to homeless persons or other low-income persons, the experience of the development team for the Expansion project, and the experience of the property management team.

In addition, the project sponsor's organizational structure, current and proposed staffing pattern, and minimum qualification for each staff position, including position descriptions, must be submitted in the application.

### **Funding Terms and Conditions**

All Expansion funds are offered as grants in the form of a forgivable loan. Recipients of Expansion program funds are required to utilize the facilities assisted with Expansion funds as a residential facility for homeless persons for a minimum of ten (10) years from the closing date on the loan. The grant is subject to repayment if the recipient violates any program requirements, including the term for which the facility will be used to shelter homeless persons.

### **Occupancy Requirements**

Expansion funds may be used only to provide residential facilities for low-and-moderate income families. All project sponsors will be required to reserve one hundred percent (100%) of the beds assisted with Expansion funds for homeless persons with incomes below eighty percent (80%) of the area median income, as published by the U.S. Department of Housing and Urban Development.

### **Ineligible Activities**

## **Virginia HOME Investment Partnership Funded Program**

Expansion funds may not be for luxury improvements, construction or rehabilitation prior to the approved project period, construction or rehabilitation that is unrelated to the emergency shelter or transitional housing facility, construction or rehabilitation for facilities that do not provide residential accommodations, or operational and administrative expenses.

### **Construction Financing**

The Expansion program is designed as a permanent financing program and is generally not to be used for construction financing. Construction financing may be provided to projects, which can document at least two efforts to obtain construction financing from conventional sources. Applicants should clearly request and explain the need for construction financing in the application. If construction financing is provided, the following procedures will apply:

- Construction draws will not exceed three;
- Funds will be disbursed in order of lien position;
- Inspection by DHCD staff or other persons approved by DHCD will be conducted before each draw and no funds will be disbursed until the work meets DHCD's satisfaction;
- The total amount disbursed cannot exceed the assessed value of the existing facility and /or land;
- Receipts and/or invoices must be presented with each request for disbursement;
- The final draw amount cannot be less than ten percent (10%) of the total Expansion award; and
- The final disbursement will not occur until all work has been completed to DHCD's satisfaction and a certificate of occupancy submitted.

<b>Virginia HOME Investment Partnership Funded Program</b>
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**TENANT BASED RENTAL ASSISTANCE FOR THE CHRONICALLY HOMELESS  
(Pilot Project)**

**GOAL**

**OBJECTIVE**

**STRATEGIES AND EXPECTED RESULTS**

**FUNDING STRATEGY**

**MATCHING FUNDS**

**How-to-Apply**

**Application Due Date**

**Eligible Applicants**

**Announcement of Awards**

**Evaluation of Applications/Criteria for Award**

**25%**

**25%**

**25%**

**25%**

**Anticipated Number of Projects**

**Unexpended or Uncommitted Funds**

<b>Virginia HOME Investment Partnership Funded Program</b>
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**Eligible Activities**

HOME funds may be used to provide for development hard costs that include:

**Ineligible Activities****DHCD Technical Assistance**

Virginia Department of Housing and Community Development  
The Jackson Center  
501 North 2<sup>nd</sup> Street  
Richmond, Virginia 23219  
Telephone: (804) 225-3112  
Facsimile: (804) 371-7091  
E-mail address: [http://www.SASSunit@dhcd.state.va.us](mailto:http://www.SASSunit@dhcd.state.va.us)

## APPENDIX A – SFRLF HOME Program Administrators

### **2004 SFRLF REGIONAL ADMINISTRATOR CONTACT INFORMATION BY LOCALITY**

<b>LOCALITY</b>	<b>REGIONAL ADMINISTRATOR</b>	<b>CONTACT</b>	<b>PHONE</b>
Accomack	Accomack-Northampton Hsg. Corp.	Bobby Joe Wert	757-787-2800
Albemarle	Piedmont Housing Alliance	Rebecca Sterne	434-817-2436
Alexandria	Northern VA PDC	Michelle Simmons	703-642-0700
Allegany	FAHE	Melissa Coffey	859-986-2321
Amherst	Lynchburg Neighborhood Dev.	Laura Dupuy	434-846-6964
Appomattox	Lynchburg Neighborhood Dev.	Laura Dupuy	434-846-6964
Arlington	Northern VA PDC	Michelle Simmons	703-642-0700
Augusta	Central Shenandoah PDC	Bonnie Riedesel	540-885-5174
Bath	FAHE	Melissa Coffey	859-986-2321
Bedford	Lynchburg Neighborhood Dev.	Laura Dupuy	434-817-2436
Bland	FAHE	Melissa Coffey	859-986-2321
Brunswick	Telamon Corporation	Robin Roark	434-656-8357
Buchanan	FAHE	Melissa Coffey	859-986-2321
Campbell	Lynchburg Neighborhood Dev.	Laura Dupuy	434-846-6964
Caroline	Central VA Housing Coalition	Mary Ann Bryant	540-373-5372
Carroll	FAHE	Melissa Coffey	859-986-2321
Charles City	Richmond LISC	Regina Fields	804-644-0548
Charlottesville	Piedmont Housing Alliance	Rebecca Sterne	434-817-2436
Chesapeake	Hampton Roads PDC	Dave Gist	757-420-8300
Chesterfield	Richmond LISC	Regina Fields	804-644-0548
Clark	Blue Ridge Housing Network	Susan Acri	540-635-7339
Colonial Heights	Petersburg Redevelopment and Housing Authority	Theda Peterson	804-733-2200
Craig	FAHE	Melissa Coffey	859-986-2321
Culpepper	Fauquier Housing Corporation	Michelene Hostetter	540-341-2805
Danville	Telamon Corporation	Robin Roark	434-656-8357
Dickenson	FAHE	Melissa Coffey	859-986-2321
Dinwiddie	Petersburg Redevelopment and Housing Authority	Theda Peterson	804-733-2200
Emporia	Petersburg Redevelopment and Housing Authority	Theda Peterson	804-733-2200
Essex	Scenario	Donna Thompson	804-769-1492
Fairfax	Northern VA PDC	Michelle Simmons	703-642-0700
Falls Church	Northern VA PDC	Michelle Simmons	703-642-0700
Fauquier	Fauquier Housing Corporation	Michelene Hostetter	540-341-2805
Floyd	FAHE	Melissa Coffey	859-986-2321
Fluvanna	Piedmont Housing Alliance	Rebecca Sterne	434-817-2436
Franklin	Hampton Roads PDC	Dave Gist	757-420-8300
Franklin County	Telamon Corporation	Robin Roark	434-656-8357



## APPENDIX A – SFRLF HOME Program Administrators

LOCALITY	REGIONAL ADMINISTRATOR	CONTACT	PHONE
Frederick	Blue Ridge Housing Network	Susan Acri	540-635-7339
Fredericksburg	Central VA Housing Coalition	Mary Ann Bryant	540-373-5372
Giles	FAHE	Melissa Coffey	859-986-2321
Gloucester	Scenario	Donna Thompson	804-769-1492
Goochland	Scenario	Donna Thompson	804-769-1492
Grayson	FAHE	Melissa Coffey	859-986-2321
Green	Piedmont Housing Alliance	Rebecca Sterne	434-817-2436
Greensville	Petersburg Redevelopment and Housing Authority	Theda Peterson	804-733-2200
Halifax	Telamon Corporation	Robin Roark	434-656-8357
Hampton	Hampton Roads PDC	Dave Gist	757-420-8300
Hanover	Richmond LISC	Regina Fields	804-644-0548
Harrisonburg	Central Shenandoah PDC	Bonnie Riedesel	540-885-5174
Henrico	Richmond LISC	Regina Fields	804-644-0548
Henry	Telamon Corporation	Robin Roark	434-656-8357
Highland	FAHE	Melissa Coffey	859-986-2321
Hopewell	Petersburg Redevelopment and Housing Authority	Theda Peterson	804-733-2200
Isle of Wight	Hampton Roads PDC	Dave Gist	757-420-8300
James City Co.	Hampton Roads PDC	Dave Gist	757-420-8300
King & Queen	Scenario	Donna Thompson	804-769-1492
King George	Central VA Housing Coalition	Mary Ann Bryant	540-373-5372
King William	Scenario	Donna Thompson	804-769-1492
Lancaster	Scenario	Donna Thompson	804-769-1492
Lee	FAHE	Melissa Coffey	859-986-2321
Loudon	Northern VA PDC	Michelle Simmons	703-642-0700
Louisa	Piedmont Housing Alliance	Rebecca Sterne	434-817-2436
Lynchburg	Lynchburg Neighborhood Dev.	Laura Dupuy	434-846-6964
Madison	Fauquier Housing Corporation	Michelene Hostetter	540-341-2805
Manassas	Northern VA PDC	Michelle Simmons	703-642-0700
Martinsville	Telamon Corporation	Robin Roark	434-656-8357
Mathews	Scenario	Donna Thompson	804-769-1492
Mecklenburg	Telamon Corporation	Robin Roark	434-656-8357
Middlesex	Scenario	Donna Thompson	804-769-1492
Montgomery	FAHE	Melissa Coffey	859-986-2321
Nelson	Piedmont Housing Alliance	Rebecca Sterne	434-817-2436
New Kent	Scenario	Donna Thompson	804-769-1492
Newport News	Hampton Roads PDC	Dave Gist	757-420-8300
Norfolk	Hampton Roads PDC	Dave Gist	757-420-8300
Northampton	Accomack-Northampton Hsg. Corp.	Bobby Joe Wert	757-787-2800
Northumberland	Scenario	Donna Thompson	804-769-1492
Orange	Fauquier Housing Corporation	Michelene Hostetter	540-341-2805

## APPENDIX A – SFRLF HOME Program Administrators

LOCALITY	REGIONAL ADMINISTRATOR	CONTACT	PHONE
Page	Blue Ridge Housing Network	Susan Acri	540-635-7339
Patrick	Telamon Corporation	Robin Roark	434-656-8357
Petersburg	Petersburg Redevelopment and Housing Authority	Theda Peterson	804-733-2200
Pittsylvania	Telamon Corporation	Robin Roark	434-656-8357
Poquoson	Hampton Roads PDC	Dave Gist	757-420-8300
Portsmouth	Hampton Roads PDC	Dave Gist	757-420-8300
Powhatan	Richmond LISC	Regina Fields	804-644-0548
Prince George	Petersburg Redevelopment and Housing Authority	Theda Peterson	804-733-2200
Prince William	Northern VA PDC	Michelle Simmons	703-642-0700
Pulaski	FAHE	Melissa Coffey	859-986-2321
Rappahannock	Fauquier Housing Corporation	Micheline Hostetter	540-341-2805
Richmond City	Richmond LISC	Regina Fields	804-644-0548
Roanoke City	Blue Ridge Housing Dev. Corp.	Andrea Hager	540-777-2777
Rockingham	Central VA Housing Coalition	Mary Ann Bryant	540-373-5372
Russell	FAHE	Melissa Coffey	859-986-2321
Salem	Blue Ridge Housing Dev. Corp.	Susan Acri	540-635-7339
Scott	FAHE	Melissa Coffey	859-986-2321
Shenandoah	Blue Ridge Housing Network	Susan Acri	540-635-7339
Smythe	FAHE	Melissa Coffey	859-986-2321
Southampton	Hampton Roads PDC	Dave Gist	757-420-8300
Spotsylvania	Central VA Housing Coalition	Mary Ann Bryant	540-373-5372
Stafford	Central VA Housing Coalition	Mary Ann Bryant	540-373-5372
Staunton	Central Shenandoah PDC	Bonnie Riedesel	540-885-5174
Suffolk	Hampton Roads PDC	Dave Gist	757-420-8300
Surry	Petersburg Redevelopment and Housing Authority	Theda Peterson	804-733-2200
Sussex	Petersburg Redevelopment and Housing Authority	Theda Peterson	804-733-2200
Tazewell	FAHE	Melissa Coffey	859-986-2321
Virginia Beach	Hampton Roads PDC	Dave Gist	757-420-8300
Warren	Blue Ridge Housing Dev. Corp.	Susan Acri	540-635-7339
Waynesboro	Central Shenandoah PDC	Bonnie Riedesel	540-885-5174
Williamsburg	Hampton Roads PDC	Dave Gist	757-420-8300
Winchester	Blue Ridge Housing Network	Susan Acri	540-635-7339
Wise	FAHE	Melissa Coffey	859-986-2321
Wythe	FAHE	Melissa Coffey	859-986-2321
York Co.	Hampton Roads PDC	Dave Gist	757-420-8300

## APPENDIX B – Indoor Plumbing Rehabilitation Program Eligible Localities

### Indoor Plumbing Rehabilitation Program Eligible Localities

<b>Cities</b>	<b>Counties</b>		
Bedford	Accomack	Frederick	Nottoway
Buena Vista	Albemarle	Giles	Orange
Covington	Alleghany	Gloucester	Page
Emporia	Amelia	Goochland	Patrick
Franklin	Amherst	Grayson	Pittsylvania
Galax	Appomattox	Greene	Powhatan
Harrisonburg	Augusta	Greensville	Prince Edward
Lexington	Bath	Halifax	Prince George
Martinsville	Bedford	Hanover	Pulaski
Norton	Bland	Henry	Rappahannock
Poquoson	Botetourt	Highland	Richmond
Radford	Brunswick	Isle of Wight	Roanoke
Salem	Buchanan	James City County	Rockbridge
Staunton	Buckingham	King and Queen	Rockingham
Waynesboro	Campbell	King George	Russell
Williamsburg	Caroline	King William	Scott
Winchester	Carroll	Lancaster	Shenandoah
	Charles City	Lee	Smyth
	Charlotte	Loudoun	Southampton
	Clarke	Louisa	Spotsylvania
	Craig	Lunenburg	Stafford
	Culpeper	Madison	Surry
	Cumberland	Mathews	Sussex
	Dickenson	Mecklenburg	Tazewell
	Dinwiddie	Middlesex	Warren
	Essex	Montgomery	Washington
	Fauquier	Nelson	Westmoreland
	Floyd	New Kent	Wise

## APPENDIX B – Indoor Plumbing Rehabilitation Program Eligible Localities

	Fluvanna	Northampton	Wythe
	Franklin	Northumberland	York
<b>Towns</b>			
Abingdon	Columbia	Kenbridge	Rocky Mount
Accomac	Courtland	Keysville	Round Hill
Alberta	Craigsville	Kilmarnock	Rural Retreat
Altavista	Crewe	La Crosse	Saltville
Amherst	Culpeper	Lawrenceville	Saxis
Appalachia	Damascus	Lebanon	Scottsburg
Appomattox	Dayton	Leesburg	Scottsville
Ashland	Dendron	Louisa	Shenandoah
Belle Haven	Dillwyn	Lovettsville	Smithfield
Berryville	Drakes Branch	Luray	South Boston
Big Stone Gap	Dublin	Madison	South Hill
Blacksburg	Duffield	Marion	St. Charles
Blackstone	Dungannon	McKenney	St. Paul
Bloxom	Eastville	Melfa	Stanardsville
Bluefield	Edinburg	Middleburg	Stanley
Boones Mill	Elkton	Middletown	Stephens City
Bowling Green	Exmore	Mineral	Stony Creek
Boyce	Farmville	Monterey	Strasburg
Boydton	Fincastle	Montross	Stuart
Boykins	Floyd	Mount Jackson	Surry
Branchville	Fries	Mount Crawford	Tangier
Bridgewater	Front Royal	Narrows	Tappahannock
Broadway	Gate City	Nassawaddox	Tazewell
Brodnax	Glade Spring	New Castle	The Plains
Brookneal	Glasgow	New Market	Timberville

**APPENDIX B – Indoor Plumbing Rehabilitation Program Eligible Localities**

Buchanan	Glen Lyn	Newsoms	Toms Brook
Burkeville	Gordonsville	Nickelsville	Troutdale
Cape Charles	Goshen	Onancock	Troutville
Capron	Gretna	Onley	Urbanna
Cedar Bluff	Grottoes	Orange	Victoria
Charlotte Court House	Grundy	Painter	Vinton
Chase City	Halifax	Pamplin City	Virgilina
Chatham	Hallwood	Parksley	Wachapreague
Cheriton	Hamilton	Pearisburg	Wakefield
Chilhowie	Haysi	Pembroke	Warrenton
Chincoteague	Hillsboro	Pennington Gap	Warsaw
Christiansburg	Hillsville	Phenix	Washington
Claremont	Honaker	Pocahontas	Waverly
Clarksville	Hurt	Port Royal	Weber City
Cleveland	Independence	Pound	West Point
Clifton Forge	Iron Gate	Pulaski	White Stone
Clinchco	Irvington	Purcellville	Windsor
Clinchport	Ivor	Remington	Wise
Clintwood	Jarratt	Rich Creek	Woodstock
Coeburn	Jonesville	Richlands	Wytheville
Colonial Beach	Keller	Ridgeway	

**APPENDIX C – Indoor Plumbing Rehabilitation Program Subrecipients**

Subrecipient Name	Localities Represented	Contact	Telephone Number
Accomack-Northampton HRC	Accomack County Northampton County	John Aigner	757-787-2936
Albemarle Housing Improvement Program	Albemarle County Greene County	Jane Andrews	434-817-2447
Alleghany County	Alleghany County	Tammy Stephenson	540-863-6600
Lee County RHA	Lee County	Scott Napier	276-346-3910
Covington RHA	City of Covington	Kathy Smith	540-962-1114
Lynchburg Community Action Group	Amherst County Appomattox County Bedford County Campbell County	Thomas Daniel	434-846-2778
Charles City County	Charles City County	John Bragg	804-829-9296
Cumberland County Housing & Community Development Inc.	Cumberland County	Pam Staton	804-492-5560
Elderrhomes, Inc.	Hanover County	Yvonne Verno	804-233-2827
Giles Co. Housing & Dev. Corp.	Giles County	Ann Angert	540-921-2001
James City County	James City County	Rick Hanson	757-220-1272
Fluvanna/Louisa County Housing Foundation.	Louisa County Fluvanna County	Howard Evergreen	540-967-3483
Halifax County Community Action Agency	Halifax County Charlotte County	Fred Betts	434-575-7916

**APPENDIX C – Indoor Plumbing Rehabilitation Program Subrecipients**

Martinsville	City of Martinsville	Wayne Knox	276-656-5169
Bay Aging	Essex County Gloucester County King & Queen Co. King William County Mathews County Middlesex Co. Northumberland Co. Richmond County	Wayne Talley	804-758-2386
PEOPLE, Inc.	Washington County	David Adams	276-623-9000
Telamon Corporation	Lunenburg County	Carolyn Walker	434-447-2744
Pittsylvania County Community Action Agency	Pittsylvania County	Roslyn Preston	434-432-8024
Powhatan-Goochland CAA	Powhatan County Goochland County	Geri Venable	804-598-3351
Prince George County	Prince George County	Hampton Wade	804-733-2688
Loudoun County	Loudoun County	Cindy Mester	703-777-0389
Rapidan Better Housing	Culpeper County Madison County Orange County Rappahannock Co.	Michelene Hostetter	540-948-3274
Central VA Housing Coalition	Caroline County King George County Spotsylvania County Stafford County Fredericksburg City	Gary Parker	540-899-9644
Quinn Rivers Agency for CA	New Kent County	Keith Sherrill	804-966-5020
RoofTop Community Action Program	Grayson County Carroll	Terry Atwell	276-236-7131
Rural Area Development Association	Scott County Wise County	David Gilmer	276-386-6523

**APPENDIX C – Indoor Plumbing Rehabilitation Program Subrecipients**

Southside PDC	Brunswick County Mecklenburg County	Gail Moody	434-447-7101
STEP	Patrick County	Sharon Lambert	540-483-5142
STOP	Isle of Wight County Suffolk City Southampton County City of Franklin	Tyrone Sessoms	757-855-6856
Sussex County	Sussex County	Brenda Drew	804-246-5511
Total Action Against Poverty	Botetourt County Craig County Roanoke County Rockbridge County	James Robinson	540-777-2777
Nelson County Community Development Foundation	Nelson County	Diane Harker	434-263-8074
Southeast RCAP	Buckingham County Clarke County Nottoway County Prince Edward County Pulaski County Wythe County	Mary Terry	540-345-1184
Waynesboro RHA	Augusta County Highland County Bath County Rockingham County	Jason Sams	540-946-9230
Westmoreland Housing Coalition	Westmoreland County	Barbara Camp	804-493-0613
Fauquier Housing Corporation	Fauquier County	Michelene Hostetter	540-341-2805
Lancaster County	Lancaster County	Marilyn Hollingsworth	804-462-5902



**APPENDIX C – Indoor Plumbing Rehabilitation Program Subrecipients**

Southside Outreach Group	Henry County	Earl Howerton	434-572-9556
Cumberland Plateau Regional HA	Buchanan County Dickenson County Russell County	Pat Gray	276-889-4910
Franklin County	Franklin County	Patricia Foley	540-483-3027
Amelia County	Amelia County	Gladys Vassor	434-634-9043
Housing Action-Northern Shenandoah Valley	Frederick County	Bob Sager	540-545-8888

**APPENDIX D – Chart of 2004 Anticipated HOME Grant Activities**

<b>Program</b>	<b>Amount</b>	<b>Program Income</b>	<b>Maximum/Minimum</b>	<b>Dates</b>	<b>Recaptured or Unused Funds</b>	<b>2004 Goal</b>
<b>CHDO-Operating Assistance</b>	\$400,00	NA	Up to \$50,000 or 50% of CHDO operating Budget, whichever is greater	Open: 7/1/04 until all funds are committed	Evaluate in April 2005. Unused funds will be reallocated to another HOME-eligible activity.	NA
<b>Affordable Housing Preservation &amp; Production</b>	\$4,500,000 (\$2,391,900 is restricted for CHDOs) with up to \$239,190 available for predevelopment activities.	Program income returned to DHCD will be reallocated to HOME-eligible activities	Up to \$500,000 per project based on HUD program guidelines	Open: 7/1/04 until all funds are committed	Evaluated in April 2005. Decision to either to carry into FFY2004 or reallocate to another HOME-eligible activity.	200 units produced or rehabbed for homeownership or rental by targeted population
<b>Indoor Plumbing Program</b>	\$5,000,000	Program income will be revolved at the local level and will be reallocated to HOME-eligible activities	Allocation formula based on population, per capita income, households lacking plumbing and overcrowding	Open: 7/1/04	Funds not used by January 1 revert to incentive pool and made available to other sub-recipients	300 housing units provided with rehabilitation and indoor plumbing
<b>Single Family Regional Loan Fund</b>	\$2,751,400 plus \$799,897 in American Dream Downpayment Initiative	Program income will be revolved at the local level and will be reallocated to HOME-eligible activities	Allocations formula based on prior use and market conditions	Open: 7/1/04	Evaluated in April 2005. Decision to either to carry into FFY2005 or reallocate to another HOME-eligible activity.	400 new income-eligible homeowners

**APPENDIX D – Chart of 2004 Anticipated HOME Grant Activities**

<b>Program</b>	<b>Amount</b>	<b>Program Income</b>	<b>Maximum/Minimum</b>	<b>Dates</b>	<b>Recaptured or Unused Funds</b>	<b>2004 Goal</b>
<b>HOME Match for Supportive Housing</b>	\$800,000	NA	Up to \$200,000 per project. Non-competitive	Open: Available at time of HUD commitments anticipated in April 2005	Funds will be redistributed to another HOME-grantee awarded supportive housing grants if not requested within 12 months of commitment.	<ul style="list-style-type: none"> <li>• 15 beds of permanent housing for persons with disabilities</li> <li>• 15 beds of transitional housing</li> </ul>
<b>SHARE Expansion/ Transitional Housing</b>	\$800,000	NA	Up to \$200,000 per project Non-competitive	Open As received	Funds will be redistributed to another HOME-grantee awarded supportive housing grants if not requested within 12 months of commitment.	TBD
<b>Tenant Based Rental Assistance Pilot</b>	\$500,000	NA		Open: 7/10/04 Close: 6/30/05	Unused funds will be reallocated to another HOME-eligible activity by April 30, 2005	TBD
<b>Administration</b>	\$ 1,194,600					
<b>Total 2004</b>	\$16,745,897					
<b>Anticipated Program Income</b>	\$ 200,000					
<b>Total</b>	<b>\$16,945,897</b>					